

**McNAIR LAW FIRM, P.A.**

ATTORNEYS AND COUNSELORS AT LAW

[www.mcnair.net](http://www.mcnair.net)

SUE-ANN GERALD SHANNON  
[sshannon@mcnair.net](mailto:sshannon@mcnair.net)

THE TOWER AT 1301 GERVAIS  
1301 GERVAIS STREET  
COLUMBIA, SOUTH CAROLINA 29201

178528

POST OFFICE BOX 11390  
COLUMBIA, SOUTH CAROLINA 29211  
TELEPHONE (803) 799-9800  
FACSIMILE (803) 753-3219

March 20, 2006

**VIA HAND DELIVERY**

The Honorable Charles L.A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
Synergy Business Park, The Saluda Building  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

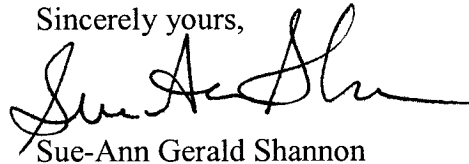
SC PUBLIC SERVICE  
COMM. DIV.  
2006 MAR 20 PM 1:10  
RECEIVED

RE: Application of FRC, LLC, for a Certificate of Public Convenience and Necessity  
to Provide Intrastate Telecommunications Services as a Carrier's Carrier  
Docket No. 2006-42-C

Dear Mr. Terreni:

Please find enclosed for filing on behalf of FRC, LLC, an original and twenty-six (26) copies of Verified Testimony of Terry R. Metze, Jr., in the above-referenced docket. I would appreciate your returning a clocked copy of this filing with our courier. If you have any questions or need further information, please do not hesitate to contact me.

Sincerely yours,



Sue-Ann Gerald Shannon

Enclosures

cc: Shannon Bowyer Hudson, Esq., Office of Regulatory Staff  
(via hand delivery)

RETURN DATE: 1/20/06  
BY: K.D. Duke  
OK D. Duke

BEFORE THE  
PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA

Application of FRC, LLC, for a )  
Certificate of Public Convenience )  
and Necessity to Provide Intrastate )  
Telecommunications Services as )  
a Carrier's Carrier )  
\_\_\_\_\_ )

Docket No. 2006-42-C

RECEIVED  
2006 MAR 20 PM 1:10  
SOUTH CAROLINA  
COMMISSION

**VERIFIED DIRECT TESTIMONY OF**

**TERRY R. METZE, JR.**

**ON BEHALF OF FRC, LLC**

**March 10, 2006**

1   **Q:   Please state your name and business address.**

2   A:   My name is Terry R. Metze, Jr., and my business address is 491 Lakeshore Parkway,  
3       Rock Hill, South Carolina 29730.

4

5   **Q:   By whom are you employed and what is your position?**

6   A:   I am employed by FRC, LLC, as its General Manager. I also serve as its Secretary and  
7       Treasurer. Additionally, I am President of PalmettoNet, Inc., one of FRC's two  
8       members.

9

10   **Q:   Please briefly state your education, training, and experience in the**  
11       **telecommunications industry.**

12   A:   I hold a Bachelor of Science degree in Engineering from the University of South  
13       Carolina, and I am currently enrolled in its Master's in Business Administration program.  
14       I have more than 18 years of experience in the telecommunications industry. My  
15       responsibilities have included engineering, operations of telephone networks, as well as  
16       executive responsibility over network, operations, and marketing. I have been with  
17       PalmettoNet since 1996 and with FRC since its inception in 1999.

18

19   **Q:   Have you ever testified before this Commission in other proceedings?**

20   A:   No.

21

22   **Q:   On whose behalf are you testifying in this proceeding?**

1 A: I am testifying on behalf of FRC, LLC. FRC is comprised of two members, PalmettoNet,  
2 Inc., and SCANA Communications, Inc (“SCI”).

3  
4 **Q: What is the purpose of your testimony in this proceeding?**

5 A: The purpose of my testimony is to describe the filing made by FRC in its application for  
6 a Certificate of Public Convenience and Necessity to provide intrastate  
7 telecommunications services in the State of South Carolina as a carrier’s carrier.

8  
9 **Q: What type of services will FRC offer?**

10 A: FRC is proposing to provide intrastate service for interLATA and intraLATA service  
11 between two points in the State of South Carolina to certificated carriers in South Carolina.

12  
13 **Q: In what areas is FRC proposing to serve?**

14 A: FRC proposes to offer services throughout the entire State and is, therefore, seeking  
15 statewide approval of its application.

16  
17 **Q: Is FRC proposing to provide services to individual consumers or end-user  
18 customers?**

19 A: No. FRC will not provide service to end-users. It will provide service only to certificated  
20 carriers within South Carolina.

21  
22 **Q: Please explain why it is in the public interest to approve this application.**

1 A: Approval of FRC's application is in the public interest because FRC will provide reliable  
2 service, route diversity, and competitive prices to South Carolina telecommunications  
3 carriers, thereby ultimately benefiting consumers in South Carolina.  
4

5 **Q: Does FRC have the financial capabilities to operate as a carrier's carrier?**

6 A: Yes. FRC has attached to its application detailed information regarding the financial  
7 position of the company.  
8

9 **Q: Does FRC have the managerial expertise to operate as a carrier's carrier?**

10 A: Yes. As shown in FRC's Exhibit D to its application, FRC has a team of managers and  
11 personnel who possess a tremendous amount of experience within the  
12 telecommunications industry. FRC will conduct its operations through its manager,  
13 PalmettoNet, which is also one of its two members. PalmettoNet has been authorized to  
14 provide telecommunications services in South Carolina since 1985. In addition to  
15 myself, the CEO of PalmettoNet, James Johnson, began his work in the industry with the  
16 Bell System in 1965 and has served as president of three independent telephone  
17 companies.  
18

19 **Q: Does FRC possess the technical expertise to operate as a carrier's carrier?**

20 A: Yes. FRC will provide point-to-point service where facilities are available for the  
21 transmission of data signals, using a combination of coaxial, fiber optics and microwave. It  
22 will use a combination of its own facilities and those of PalmettoNet to provide service.  
23 Moreover, PalmettoNet is authorized to provide telecommunications services in Georgia,

1 SCI is authorized to provide telecommunications services in Georgia and North Carolina,  
2 and FRC is authorized to provide telecommunications services in North Carolina.  
3

4 **Q: Will FRC comply with the rules and regulations of the South Carolina Public**  
5 **Service Commission?**

6 A: Yes. FRC will comply with all applicable rules and regulations. In addition, FRC will  
7 provide service pursuant to the rules, regulations, rates, and other terms and conditions as  
8 set out in an approved tariff.  
9

10 **Q: Is FRC requesting any regulatory relief or waivers for the purpose of this**  
11 **application?**

12 A: Yes. FRC respectfully requests that it be allowed to keep its financial books and records  
13 according to the Generally Accepted Accounting Principles rather than according to the  
14 Uniform System of Accounts as it would constitute an undue burden if Applicant were  
15 required to maintain two sets of records.  
16

17 **Q: Does this conclude your testimony?**

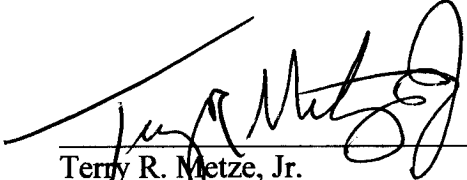
18 A: Yes.

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**Docket No. 2006-42-C**

Application of FRC, LLC, for a Certificate )  
of Public Convenience and Necessity to )  
Provide Intrastate Telecommunications )  
Services as a Carrier's Carrier )  
\_\_\_\_\_ )

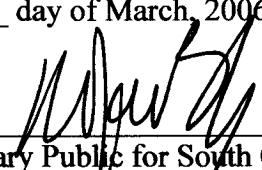
**VERIFICATION**

I, TERRY R. METZE, JR., first being duly sworn, depose and say that I am General Manager of FRC, LLC; that I have read the foregoing pre-filed testimony and know the contents thereof; and that said contents are true.

  
\_\_\_\_\_  
Terry R. Metz, Jr.

SWORN to before me this

10 day of March, 2006.

  
\_\_\_\_\_  
Notary Public for South Carolina

My Commission Expires: 06-17-2007

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

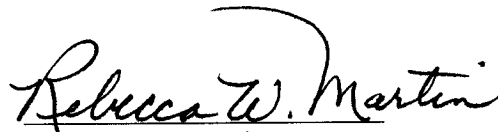
**Docket No. 2006-42-C**

Application of FRC, LLC, for a Certificate )  
of Public Convenience and Necessity to )  
Provide Intrastate Telecommunications )  
Services as a Carrier's Carrier )  
\_\_\_\_\_ )

**CERTIFICATE  
OF SERVICE**

I, Rebecca W. Martin, Secretary for McNair Law Firm, P. A., do hereby certify that I have this date served one (1) copy of a Motion for Expedited Review and one (1) copy of a Verified Testimony of Terry R. Metze, Jr. regarding the above-referenced matter on the following party of record by causing said copies to be hand-delivered by McNair Law Firm courier at the address shown below.

Shannon B. Hudson, Esquire  
South Carolina Office of Regulatory Staff  
1441 Main Street, Suite 300  
Columbia, South Carolina 29201



Rebecca W. Martin  
McNair Law Firm, P.A.  
Post Office Box 11390  
Columbia, South Carolina 29211  
(803) 799-9800

March 20, 2006

Columbia, South Carolina